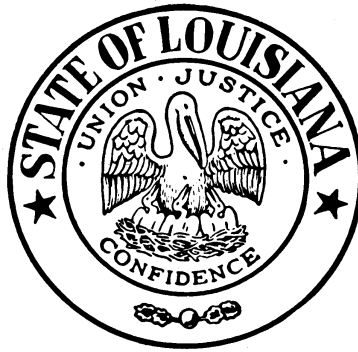


**REQUEST FOR PROPOSAL**  
**INFORMATION TECHNOLOGY SOFTWARE MAINTENANCE**  
**SERVICES**



File No.: \_\_\_\_\_

Proposal Opening Date: July 16, 2007  
Proposal Opening Time: 4:00PM

State of Louisiana  
Department of Revenue  
May 24, 2007

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# REQUEST FOR PROPOSAL FOR INFORMATION TECHNOLOGY SOFTWARE MAINTENANCE SERVICES

## PART I. ADMINISTRATIVE AND GENERAL INFORMATION

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### 1.1 - Background

The Revenue Processing Center of the Louisiana Department of Revenue is responsible for the initial processing of all tax returns, remittances, supporting documentation and correspondence received by the Department. The Revenue Processing Center processes approximately 4 million returns and 2.4 million remittances annually.

#### General Description of Existing System

The major components of the system to be supported include:

Component	Applications	Additional Information
Software that resides on 9000T Scanners and 9000M Scanner	Processing of all taxes administered by LDR. Major tax applications include: Individual Income Tax (handprint, 2D, and substitute return forms, for all active schedules); Sales taxes; Withholding tax (monthly, semi-monthly, quarterly); Annual withholding reconciliation; Individual Income and Corporate declaration payments; Accounts Receivable payment processing; check only processing; Key from Image applications for multiple taxes, etc.	Coded in ScanGen
Interfaces with IBML ImageTrac II and ImageTrac III scanners	Processing of all taxes administered by LDR.	Software provide by Fairfax (QuickScan and Quick Review) and IBML (SoftTrac)
DSS 8000 Scan Workstation	Image Type applications	Coded in Visual Basic/ScanGen
Network Servers Applications	Indexer, Neural, Validate, SQL, Reformat, Archives, Pitcher, Sonar, CAR	Coded in Visual Basic/VistaCapture
Data Perfection programs	Field correction programs designed to perfect the data captured at the scanner; Verify and knowledge worker programs to further edit and perfect captured data; Key from image applications	Coded in Visual Basic/VistaCapture
Reporting data	Multiple reports to generate statistical and performance data for all operators and all equipment.	From the SQL database; Crystal Reports
NDP 250 & TMS Administrator	Encoding and endorsing programs; generation of banking and deposit	Software provided by J & B software

	information.	
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Equipment used to process this work includes three ScanOptics 9000 series high-speed scanners, three DSS 8000 Scan Workstations, one IBML ImageTrac II scanner, and three IBML ImageTrac III scanners for ICR/OCR scanning and imaging. The payments are processed using two (2) Unisys NDP 250 remittance-processing machines. Return and/or payment data is processed by applications developed initially by J & B, ScanOptics, Inc., Fairfax Imaging, and IBML. In addition to onsite processing, LDR uses Virtual Solution's vCapture solution for remote data entry. Images captured on Department scanners are fed into the vCapture solution. This network also includes a Windows 2000/Active Directory processing platform, network servers and automated background applications to output the data and images to the Integrated Tax Processing System. The Integrated Tax Processing System used by LDR is the Gentax product supplied by Fast Enterprises. Data is maintained in a SQL 2000 database. All components are networked together to form a single tax processing system.

A detailed description of the software applications, hardware and network environment to be supported is found in Appendix "A", Attachment "II".

### **1.1.1 Purpose**

The purpose of this Request for Proposal (RFP) is to obtain competitive proposals as allowed by Louisiana Revised Statute 39:1593.C. from bona fide, qualified proposers who are interested in providing software support, design and maintenance services to provide modifications to existing applications or new application development to implement legislative or processing changes. The LDR seeks Proposers who must be able to supply sufficient programming and software support resources to meet the timelines and provide quality services as required by change orders.

### **1.1.2 Goals and Objectives**

The LDR seeks Proposers who can supply sufficient programming and software support resources to meet the timelines and provide quality services as required by change orders. The Proposer should demonstrate that it has sufficient experience and resources to maintain or improve the existing systems described in Appendix "A", Attachment "II". Specific experience in each of the following areas, programming languages, and tools is critical to the success of the project:

- Tax and revenue applications
- ScanOptics 9000 series scanner programming
- Programming using VistaCapture applications (Visual Basic)
- SQL database applications and modifications
- Interfacing with Virtual Solutions, Inc.'s vCapture system for remote data entry
- Network configurations and troubleshooting
- Crystal reports
- C++
- ScanGen Advanced
- ScanGen Source
- ScanGen
- VistaCapture
- Visual Basic

- Visual Save
- .NET Windows Applications Conversion software to update

## 1.2 - Definitions

A. Shall – The term “shall” denotes mandatory requirements per R.S. 39:1556(24).

B. Must, Will - The terms “must” and “will” denote mandatory requirements.

C. May, Can - The terms “may” and “can” denote an advisory or permissible action.

D. Should – the term “should” denotes desirable

E. Contractor – Any person having a contract with a governmental body.

F. Agency - Any department, commission, council, board, office, bureau, committee, institution, agency, government, corporation, or other establishment of the executive branch of this state authorized to participate in any contract resulting from this solicitation.

G. State - The State of Louisiana.

H. Discussions- For the purposes of this RFP, a formal, structured means of conducting written or oral communications/presentations with responsible Proposers who submit proposals in response to this RFP.

I. Proposer - The term “Proposer” refers to the respondents to the RFP

J. “Change Order” – For the purposes of this RFP, a change order is the specific description of the actual work to be performed under this contract, including the specific deadlines, acceptance criteria and any product or deliverables required for each specific change order. The maximum hours to be worked and the specific services required for each change order will be proposed by the Contractor and agreed to by the LDR prior to work being performed on any change order. Multiple change orders will be issued during the term of the contract.

K. LDR – Louisiana Department of Revenue.

L. VistaCapture – A software solution suite developed by ScanOptics. The suite is used for rapid development of data capture applications.

M. yCapture – A remote data entry solution developed by Virtual Solutions, Inc.

## 1.3 - Schedule of Events

	<u>Date</u>	<u>Time (CT)</u>
1. RFP mailed to prospective proposers and posted to LaPAC	May 24, 2007	

2. Deadline to receive written inquiries	June 8, 2007
3. Deadline to answer written inquiries	June 22, 2007
4. Proposal Opening Date (deadline for submitting Proposals)	July 16, 2007 4:00 P.M.
5. Notice of Intent to Award to be mailed	August 1, 2007
7. Contract Initiation	October 1, 2007

**NOTE: The State of Louisiana reserves the right to deviate from these dates.**

#### **1.4 - Proposal Submittal**

This RFP is available in electronic form at the LaPAC website <http://wwwsrch2.doa.state.la.us/osp/lapac/pubmain.asp>. It is available in PDF format or in printed form by submitting a written request to the RFP Contracting Officer with the Office of Contractual Review.

All proposals shall be received by the Department of Revenue **no later than the date and time shown in the Schedule of Events.**

**Important - - Clearly mark outside of envelope, box or package with the following information and format:**

X **Proposal Name: Information Technology Software Maintenance Services**  
X **File Number: Identify**  
X **Proposal Opening Date: Identify**

Proposals may be delivered by U. S. Postal Service, hand or courier service to our physical location at:

Louisiana Department of Revenue  
Attention: Elizabeth Kunjappy  
Controllers Division  
Purchasing Section  
Room Number: 6-165  
617 North 3<sup>rd</sup> St.  
Baton Rouge, LA 70802

Proposer is solely responsible for ensuring that its courier service provider makes inside deliveries to our physical location. The Louisiana Department of Revenue is not responsible for any delays caused by the proposer's chosen means of proposal delivery.

Proposers should be aware of security requirements for the LaSalle building and allow time to be photographed and presented with a temporary identification badge.

Proposer is solely responsible for the timely delivery of its proposal. Failure to meet the proposal opening date and time shall result in rejection of the proposal.



**PROPOSALS SHALL BE OPENED PUBLICLY AND ONLY PROPOSERS SUBMITTING PROPOSALS SHALL BE IDENTIFIED ALOUD. PRICES SHALL NOT BE READ.**

**1.5 - Proposal Response Format**

Proposals should be prepared on standard 8 ½" x 11" paper. Manuals and other reference documentation may be bound separately.

Proposals submitted for consideration should follow the format and order of presentation described below:

- A. **Cover Letter:** The cover letter should exhibit the Proposer's understanding and approach to the project. It should contain a summary of Proposer's ability to perform the services described in the RFP and confirm that Proposer is willing to perform those services and enter into a contract with the State.

By signing the letter and/or the proposal, the proposer certifies compliance with the signature authority required in accordance with L.R.S.39:1594 (Act 121). The person signing the proposal must be:

- A current corporate officer, partnership member, or other individual specifically authorized to submit a proposal as reflected in the appropriate records on file with the secretary of state; or
- An individual authorized to bind the company as reflected by a corporate resolution, certificate or affidavit; or
- Named in other documents indicating authority which are acceptable to the public entity.

The cover letter should also

- Identify the submitting Proposer;
- Identify the name, title, address, telephone number, fax number, and email address of each person authorized by the Proposer to contractually obligate the Proposer;
- Identify the name, address, telephone number, fax number, and email address of the contact person for technical and contractual clarifications throughout the evaluation period.

- B. **Table of Contents:** Organized in the order cited in the format contained herein.

- C. **Proposer Qualifications and Experience:** Proposer should describe in detail its prior experience in the successful maintenance and support of a system of similar scope and complexity to the system described in Appendix "A", Attachment "II". In describing this prior experience, the Proposer should include any specific expertise in the areas stated above, and the length of time the system has been in operation.

To be considered as qualified to perform the requested services, the proposer's personnel must meet the following minimum qualifications:

- Demonstrate direct experience with systems development projects involving systems analysis, programming, file conversion, systems testing, and implementation services.
- Provide at least two (2) but no more than three (3) customer references for work performed, related to the type of services being proposed in this RFP.
- Proposer personnel must have specific experience in each of the areas, programming languages, and tools as described in section 1.1.2 Goals and Objectives.

Proposer should provide detailed information about the experience and qualifications of the Proposer's assigned project manager and all personnel proposed to be assigned to perform work under the resulting contract. In describing the experience of Proposer's personnel, include any specific expertise in the areas stated above. Personnel not originally assigned by the Proposer to this contract may be substituted, but only if the substitute has the same or better qualifications and experience of the employee removed from this assignment.

- D. **Proposed Solution/Technical Response:** The Proposer should provide a plan for responding to change orders that assures a timely response to meet the deadlines required by the change order request.
- E. **Innovative Concepts:** Presentation of innovative concepts, if any, for consideration.
- F. **Financial Proposal:** The Proposer shall provide the hourly rates for the services to be performed. The actual hours to be used for modifications under the contract will be specified in the change order.

### **1.5.1 Number of Response Copies**

Each Proposer shall submit one (1) signed original response. Six (6) additional copies of the proposal should be provided.

### **1.5.2 Legibility/Clarity**

Responses to the requirements of this RFP in the formats requested are desirable with all questions answered in as much detail as practicable. The Proposer's response should demonstrate an understanding of the requirements. Proposals prepared simply and economically, providing a straightforward, concise description of the Proposer's ability to meet the requirements of the RFP is also desired. Each Proposer is solely responsible for the accuracy and completeness of its proposal.

### **1.6 - Confidential Information, Trade Secrets, and Proprietary Information**

The designation of certain information as trade secrets and/or privileged or confidential proprietary information shall only apply to the technical portion of your proposal. Your cost

proposal will not be considered confidential under any circumstance. Any proposal copyrighted or marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.

For the purposes of this procurement, the provisions of the Louisiana Public Records Act (La. R.S. 44.1 et. seq.) will be in effect. Pursuant to this Act, all proceedings, records, contracts, and other public documents relating to this procurement shall be open to public inspection. Proposers are reminded that while trade secrets and other proprietary information they submit in conjunction with this procurement may not be subject to public disclosure, protections must be claimed by the proposer at the time of submission of its Technical Proposal. Proposers should refer to the Louisiana Public Records Act for further clarification.

The proposer must clearly designate the part of the proposal that contains a trade secret and/or privileged or confidential proprietary information as "confidential" in order to claim protection, if any, from disclosure. The proposer shall mark the cover sheet of the proposal with the following legend, specifying the specific section(s) of his proposal sought to be restricted in accordance with the conditions of the legend:

*"The data contained in pages \_\_\_\_\_ of the proposal have been submitted in confidence and contain trade secrets and/or privileged or confidential information and such data shall only be disclosed for evaluation purposes, provided that if a contract is awarded to this Proposer as a result of or in connection with the submission of this proposal, the State of Louisiana shall have the right to use or disclose the data therein to the extent provided in the contract. This restriction does not limit the State of Louisiana's right to use or disclose data obtained from any source, including the proposer, without restrictions."*

Further, to protect such data, each page containing such data shall be specifically identified and marked "CONFIDENTIAL".

Proposers must be prepared to defend the reasons why the material should be held confidential. If a competing proposer or other person seeks review or copies of another proposer's confidential data, the state will notify the owner of the asserted data of the request. If the owner of the asserted data does not want the information disclosed, it must agree to indemnify the state and hold the state harmless against all actions or court proceedings that may ensue (including attorney's fees), which seek to order the state to disclose the information. If the owner of the asserted data refuses to indemnify and hold the state harmless, the state may disclose the information.

The State reserves the right to make any proposal, including proprietary information contained therein, available to OCR personnel, the Office of the Governor, or other state agencies or organizations for the sole purpose of assisting the State in its evaluation of the proposal. The State shall require said individuals to protect the confidentiality of any specifically identified proprietary information or privileged business information obtained as a result of their participation in these evaluations.

In its handling of any returns of taxpayers or other records and files of the Department of Revenue, or information derived therefrom, the Contractor recognizes and acknowledges the confidential nature of said information, and shall comply with all the confidentiality restrictions embodied in La. R.S.47:1508. Furthermore, Contractor recognizes that La. R.S.47:1508.1 imposes fines and/or imprisonment upon conviction for the disclosure of information in violation of La. R.S.47:1508.

## **1.7 - Proposal Clarifications Prior to Submittal**

### **1.7.1 Pre-proposal Conference**

Not required for this RFP.

### **1.7.2 Proposer Inquiry Periods**

An initial inquiry period is hereby firmly set for all interested proposers to perform a detailed review of the RFP and to submit any written questions relative thereto. *Without exception*, all questions **MUST** be in writing and received by the close of business on the Inquiry Deadline date set forth in the Calendar of Events (\*). Initial inquiries shall not be entertained thereafter.

The state shall not and cannot permit an open-ended inquiry period, as this creates an unwarranted delay in the procurement cycle and operations of our agency customers. The state reasonably expects and requires *responsible and interested* proposers to conduct their in-depth proposal review and submit inquiries in a timely manner.

No negotiations, decisions, or actions shall be executed by any proposer as a result of any oral discussions with any state employee or state consultant. The state shall only consider written and timely communications from proposers.

Inquiries shall be submitted in writing by an authorized representative of the proposer, clearly cross-referenced to the relevant solicitation section. Only those inquiries received by the established deadline shall be considered by the state. Answers to all questions and any other changes or clarifications to the solicitation shall be issued by addendum and provided to all prospective proposers.

Inquiries concerning this solicitation may be delivered by mail, express courier, e-mail, hand, or fax to:

Louisiana Department of Revenue  
Attention: Elizabeth Kunjappy  
Purchasing Section  
Controllers Division  
Room Number: 6-165  
617 North Third St.  
Baton Rouge, LA 70802

E-Mail: Elizabeth.Kunjappy@la.gov

Phone: (225)219-2123/ Fax: (225)219-2120

## **1.8 - Errors and Omissions in Proposal**

The State will not be liable for any error in the proposal. Proposer will not be allowed to alter proposal documents after the deadline for proposal submission, except under the following condition: The State reserves the right to make corrections or clarifications due to patent errors identified in proposals by the State or the Proposer. The State, at its option, has the right to request clarification or additional information from the Proposer.

## **1.9 - Proposal Guarantee**

Not Required for this RFP.

#### **1.10 - Performance Bond (if required)**

Not required for this RFP.

#### **1.11 - Changes, Addenda, Withdrawals**

The State reserves the right to change the calendar of events or issue Addenda to the RFP at any time. The State also reserves the right to cancel or reissue the RFP.

If the proposer needs to submit changes or addenda, such shall be submitted in writing, signed by an authorized representative of the proposer, cross-referenced clearly to the relevant proposal section, prior to the proposal opening, and should be submitted in a sealed envelope, prior to the proposal opening. Such shall meet all requirements for the proposal.

#### **1.12 - Withdrawal of Proposal**

A proposer may withdraw a proposal that has been submitted at any time up to the proposal closing date and time. To accomplish this, a written request signed by the authorized representative of the proposer must be submitted to the RFP Coordinator.

#### **1.13 - Material in the RFP**

Proposals shall be based only on the material contained in this RFP. The RFP includes official responses to questions, addenda, and other material, which may be provided by the State pursuant to the RFP.

#### **1.14 – Waiver of Administrative Informalities**

The State reserves the right, at its sole discretion, to waive administrative informalities contained in any proposal.

#### **1.15 - Proposal Rejection**

Issuance of this RFP in no way constitutes a commitment by the State to award a contract. The State reserves the right to accept or reject any or all proposals submitted or to cancel this RFP if it is in the best interest of the State to do so.

#### **1.16 - Ownership of Proposal**

All materials (paper content only) submitted in response to this request become the property of the State. Selection or rejection of a response does not affect this right. All proposals submitted will be retained by the State and not returned to proposers. Any copyrighted materials in the response are not transferred to the State.

#### **1.17 - Cost of Offer Preparation**

The State is not liable for any costs incurred by prospective Proposers or Contractors prior to issuance of or entering into a Contract. Costs associated with developing the proposal,

preparing for oral presentations, and any other expenses incurred by the Proposer in responding to the RFP are entirely the responsibility of the Proposer, and shall not be reimbursed in any manner by the State of Louisiana.

#### **1.18 - Non-negotiable Contract Terms**

Non-negotiable contract terms include but are not limited to taxes, assignment of contract, audit of records, EEOC and ADA compliance, record retention, content of contract/order of precedence, contract changes, governing law, claims or controversies, and termination based on contingency of appropriation of funds.

#### **1.19 - Taxes**

Any taxes, other than state and local sales and use taxes, from which the state is exempt, shall be assumed to be included within the Proposer's cost.

#### **1.20 - Proposal Validity**

All proposals shall be considered valid for acceptance until such time an award is made, unless the Proposer provides for a different time period within its proposal response. However, the State reserves the right to reject a proposal if the Proposer's acceptance period is unacceptable and the Proposer is unwilling to extend the validity of its proposal.

#### **1.21 - Prime Contractor Responsibilities**

The selected Proposer shall be required to assume responsibility for all items and services offered in his proposal whether or not he produces or provides them. The State shall consider the selected Proposer to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract.

#### **1.22 - Use of Subcontractors**

Each Contractor shall serve as the single prime contractor for all work performed pursuant to its contract. That prime contractor shall be responsible for all deliverables referenced in this RFP. This general requirement notwithstanding, Proposers may enter into subcontractor arrangements. Proposers may submit a proposal in response to this RFP, which identifies subcontract(s) with others, provided that the prime contractor acknowledges total responsibility for the entire contract.

If it becomes necessary for the prime contractor to use subcontractors, the State urges the prime contractor to use Louisiana contractors, including small and emerging businesses, if practical. In all events, any subcontractor used by the prime should be identified to the State Project Manager.

Information required of the prime contractor under the terms of this RFP is also required for each subcontractor, and the subcontractors must agree to be bound by the terms of the contract. The prime contractor shall assume total responsibility for compliance.

#### **1.23 - Written or Oral Discussions/Presentations**

Written or oral discussions may be conducted with Proposers who submit proposals determined to be reasonably susceptible of being selected for award; however, the State reserves the right to enter into an Agreement without further discussion of the proposal submitted based on the initial offers received.

Any commitments or representations made during these discussions, if conducted, may become formally recorded in the final contract.

Written or oral discussions/presentations for clarification may be conducted to enhance the State's understanding of any or all of the proposals submitted. Proposals may be accepted without such discussions.

#### **1.24 - Acceptance of Proposal Content**

The mandatory RFP requirements shall become contractual obligations if a contract ensues. Failure of the successful Proposer to accept these obligations shall result in the rejection of the proposal.

#### **1.25 - Evaluation and Selection**

All responses received as a result of this RFP are subject to evaluation by the State Evaluation Committee for the purpose of selecting the Proposer with whom the State shall contract.

To evaluate all proposals, a committee whose members have expertise in various areas has been selected. This committee will determine which proposals are reasonably susceptible of being selected for award. If required, written or oral discussions may be conducted with any or all of the Proposers to make this determination.

Written recommendation for award shall be made to the Secretary of Revenue for the Proposer whose proposal, conforming to the RFP, will be the most advantageous to the State of Louisiana, price and other factors considered.

The committee may reject any or all proposals if none is considered in the best interest of the State.

#### **1.26 - Contract Negotiations**

If for any reason the Proposer whose proposal is most responsive to the State's needs, price and other evaluation factors set forth in the RFP considered, does not agree to a contract, that proposal shall be rejected and the State may negotiate with the next most responsive Proposer. Negotiation may include revision of non-mandatory terms, conditions, and requirements. The Office of Contractual Review must approve the final contract form to complete the process.

#### **1.27 - Contract Award and Execution**

The State reserves the right to enter into an Agreement without further discussion of the proposal submitted based on the initial offers received.

The RFP, including any addenda, and the proposal of the selected Contractor will become part of any contract initiated by the State.

In no event shall proposer submit its own standard contract terms and conditions as a response to this RFP. The proposer needs to address the specific language in the sample contract and submit with its proposal with any exceptions or exact contract deviations that its firm wishes to negotiate. The terms for both of these documents may be negotiated as part of the negotiation process with the exception of contract provisions that are non-negotiable.

If the contract negotiation period exceeds 30 days or if the selected Proposer fails to sign the contract within **seven calendar** days of delivery of it, the State may elect to cancel the award and award the contract to the next-highest-ranked Proposer.

Award shall be made to the Proposer with the highest points, whose proposal, conforming to the RFP, will be the most advantageous to the State of Louisiana, price and other factors considered.

The State intends to award to a single Proposer.

#### **1.28 - Notice of Intent to Award**

Upon review and approval of the evaluation committee's and agency's recommendation for award, the Department will issue a "Notice of Intent to Award" letter to the apparent successful Proposer. A contract shall be completed and signed by all parties concerned on or before the date indicated in the "Schedule of Events." If this date is not met, through no fault of the State, the State may elect to cancel the Notice of Intent to Award letter and make the award to the next most advantageous Proposer.

The Department will also notify all unsuccessful Proposers as to the outcome of the evaluation process. The evaluation factors, points, evaluation committee member names, and the completed evaluation summary and recommendation report will be made available to all interested parties after the "Notice of Intent to Award" letter has been issued.

#### **1.29 - Debriefings**

Debriefings may be scheduled by the participating Proposers after the "Notice of Intent to Award" letter has been issued by scheduling an appointment with the Department of Revenue. Contact may be made by phone at (225) 219-2123 or E-mail to Elizabeth.Kunjappy@la.gov.

#### **1.30 - Insurance Requirements**

Contractor shall furnish the State with certificates of insurance effecting coverage(s) required by the RFP (see Appendix "A", Attachment "V"). The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be received and approved by the State before work commences. The State reserves the right to require complete certified copies of all required policies, at any time.

#### **1.31 - Subcontractor Insurance**

The Contractor shall include all subcontractors as insureds under its policies or shall insure that all subcontractors satisfy the same insurance requirements stated herein for the contractor.

#### **1.32 - Indemnification and Limitation of Liability**



Neither party shall be liable for any delay or failure in performance beyond its control resulting from acts of God or force majeure. The parties shall use reasonable efforts to eliminate or minimize the effect of such events upon performance of their respective duties under this Agreement.

Contractor shall be fully liable for the actions of its agents, employees, partners or subcontractors and shall fully indemnify and hold harmless the State from suits, actions, damages and costs of every name and description relating to personal injury and damage to real or personal tangible property caused by Contractor, its agents, employees, partners or subcontractors in the performance of this contract, without limitation; provided, however, that the Contractor shall not indemnify for that portion of any claim, loss or damage arising hereunder due to the negligent act or failure to act of the State.

Contractor will indemnify, defend and hold the State harmless, ***without limitation***, from and against any and all damages, expenses (including reasonable attorneys' fees), claims judgments, liabilities and costs which may be finally assessed against the State in any action for infringement of a United States Letter Patent with respect to the Products, Materials, or Services furnished, or of any copyright, trademark, trade secret or intellectual property right, provided that the State shall give the Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit, (ii) the opportunity to take over, settle or defend such action, claim or suit at Contractor's sole expense, and (iii) assistance in the defense of any such action at the expense of Contractor. Where a dispute or claim arises relative to a real or anticipated infringement, the State may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as the Commissioner of Administration shall require.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon: i) State's unauthorized modification or alteration of a Product, Material, or Service; ii) State's use of the Product, Material, or Service in combination with other products, materials, or services not furnished by Contractor; iii) State's use in other than the specified operating conditions and environment.

In addition to the foregoing, if the use of any item(s) or part(s) thereof shall be enjoined for any reason or if Contractor believes that it may be enjoined, Contractor shall have the right, at its own expense and sole discretion as the state's exclusive remedy to take action in the following order of precedence: (i) to procure for the State the right to continue using such item(s) or part (s) thereof, as applicable; (ii) to modify the component so that it becomes non- infringing equipment of at least equal quality and performance; or (iii) to replace said item(s) or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, or (iv) if none of the foregoing is commercially reasonable, then provide monetary compensation to the State up to the dollar amount of the Contract.

For all other claims against the Contractor where liability is not otherwise set forth in the Agreement as being "without limitation", and regardless of the basis on which the claim is made, Contractor's liability **for direct damages, shall be the greater of \$100,000, the dollar amount of the Contract, or two (2) times the charges for products, materials, or services rendered by the Contractor under the Contract.** Unless otherwise specifically enumerated herein mutually agreed between the parties, neither party shall be liable to the other for special, indirect or consequential damages, including lost data or records (unless the Contractor is required to back-up the data or records as part of the work plan), even if the party has been advised of the

possibility of such damages. Neither party shall be liable for lost profits, lost revenue or lost institutional operating savings.

The State may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor, or may proceed against the performance and payment bond, if any, as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them.

### **1.33 - Fidelity Bond Requirements**

Not required for this RFP.

### **1.34 - Payment for Services**

The agency shall pay Contractor in accordance with the Pricing Schedule set forth in Appendix "B". The Contractor may invoice the agency monthly at the billing address designated by the Department of Revenue. Payments will be made by the Agency within approximately thirty (30) days after receipt of a properly executed invoice, and approval by the Agency. Invoices shall include the contract number, using department and services provided. Invoices submitted without the referenced documentation will not be approved for payment until the required information is provided.

### **1.35 - Termination**

**1.35.1 TERMINATION OF THIS AGREEMENT FOR CAUSE** – State may terminate this agreement for cause based upon the failure of Contractor to comply with the terms and/or conditions of the Agreement, or failure to fulfill its performance obligations pursuant to this agreement, provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) days after receipt of such notice, the Contractor shall not have corrected such failure or, in the case of failure which cannot be corrected in (30) days, begun in good faith to correct such failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Agreement shall terminate on the date specified in such notice.

The Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this agreement, provided that the Contractor shall give the State written notice specifying the State's failure and a reasonable opportunity for the State to cure the defect.

**1.35.2 TERMINATION OF THIS AGREEMENT FOR CONVENIENCE** – The State may terminate this Agreement at any time by giving thirty (30) days written notice to contractor of such termination or negotiating with the Contractor an effective date.

The Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

### **1.35.3 FISCAL FUNDING CLAUSE**

The continuance of this contract is contingent upon the appropriation of funds to fulfill the requirements of the contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is

reduced by the veto of the Governor or by any means provided in the appropriations act or Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

### **1.36 - Assignment**

Assignment of contract, or any payment under the contract, requires advanced written approval.

### **1.37 - No Guarantee of Quantities**

Not required for this RFP

### **1.38 - Audit of Records**

The State legislative auditor, federal auditors and internal auditors of the Department of Revenue, Division of Administration, or others so designated by the DOA, shall have the option to audit all accounts directly pertaining to the resulting contract for a period of five (5) years after final contract payment or as required by applicable State and Federal law. Records shall be made available during normal working hours for this purpose.

### **1.39 - Civil Rights Compliance**

The contractor agrees to abide by the requirements of the following as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, or disabilities.

Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this contract

### **1.40 - Record Retention**

The Contractor shall maintain all records in relation to this contract for a period of at least five (5) years after final contract payment.

### **1.41 - Record Ownership**

All records, reports, documents, or other material related to any contract resulting from this RFP and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of the State and shall, upon request, be

returned by Contractor to the State, at Contractor's expense, at termination or expiration of this contract.

#### **1.42 - Content of Contract/ Order of Precedence**

In the event of an inconsistency between the contract, the RFP and/or the Contractor's Proposal, the inconsistency shall be resolved by giving precedence first to the final contract, then to the RFP and subsequent addenda (if any) and finally, the Contractor's Proposal.

#### **1.43 - Contract Changes**

No additional changes, enhancements, or modifications to any contract resulting from this RFP shall be made without the prior approval of OCR.

Changes to the contract include any change in: compensation; beginning/ending date of the contract; scope of work; and/or Contractor change through the Assignment of Contract process. Any such changes, once approved, will result in the issuance of an amendment to the contract.

#### **1.44 - Substitution of Personnel**

The State intends to include in any contract resulting from this RFP the following condition:  
Substitution of Personnel: If, during the term of the contract, the Contractor or subcontractor cannot provide the personnel as proposed and requests a substitution, that substitution shall meet or exceed the requirements stated herein. A detailed resume of qualifications and justification is to be submitted to the State for approval prior to any personnel substitution. It shall be acknowledged by the Contractor that every reasonable attempt shall be made to assign the personnel listed in the Contractor's proposal.

#### **1.45 - Governing Law**

All activities associated with this RFP process shall be interpreted under Louisiana Law. All proposals and contracts submitted are subject to provisions of the laws of the State of Louisiana including but not limited to L.R.S. 39:1481-1526; rules and regulations; executive orders; standard terms and conditions; special terms and conditions; and specifications listed in this RFP.

#### **1.46 - Claims or Controversies**

Any claims or controversies shall be resolved by the provisions of LSA-R.S. 39: 1524-1526.

## **PART II SCOPE OF WORK/SERVICES**

### **2.1 - Scope of Work/Services**

See Appendix "A", Attachment "I" for the Scope Of Work/Services.

### **2.2 - Period of Agreement**

The term of any contract resulting from this solicitation shall begin on or about October 1, 2007 and shall end on September 30, 2008. State has the right to extend this contract up to a total of three years with the concurrence of the Contractor and all appropriate approvals. In no event shall the term of this contract, including extensions hereto, be for a period of more than three (3) years.

LDR is in the early stages of a reengineering effort to modernize the Revenue Processing Center. Any extensions to the above period of agreement will be determined by the progress of this reengineering effort.

### **2.3 - Price Schedule**

Prices proposed by the proposers should be submitted on the price schedule furnished herein on Appendix "B". Prices submitted shall be firm for the term of the contract.

### **2.4 - Deliverables**

The written change orders describing the work to be performed under the resulting contract will define the deliverables for each change order. All work performed must meet the ISO 9001:2000 standards. Work must be fully tested by proposers before delivery. Delivery of product shall be timely.

### **2.5 - Location**

The location the work is to be performed, completed and managed is at:

Louisiana Department of Revenue  
617 North Third Street  
Baton Rouge, LA 70802  
Revenue Processing Center, Third Floor

Offsite development is permissible at Contractor's location, although final acceptance of work is to be performed at the above location.

### **2.6 - Proposal Elements**

#### **2.6.1 Financial**

Proposal shall include prices per the schedule furnished in Appendix "B".

#### **2.6.2 Technical**

Each Proposer should address how the firm will meet all the requirements of this RFP, with particular attention to:

- Methodology of implementing changes.
- Plans for documentation of software modifications and procedural changes associated with those modifications.
- Provision for customer service, including personnel assigned, toll-free number, and account inquiry, etc.
- Resumes for account manager, designated customer service representative(s) and any other key personnel to be assigned to this project, including those of subcontractors, if any.
- References for at least two but not more than three states, government agencies, or private firms for whom similar or larger scope services are currently being provided. Include a contact person and telephone number for each reference.
- Information demonstrating the Proposer's financial stability (financial statements-preferably audited, annual reports, or similar data for the last three years).
- Information demonstrating the Proposer's understanding of the nature and scope of this project.

Any other information deemed pertinent by the Proposer including terms and conditions which the Proposer wishes the State to consider.

## **PART III EVALUATION**

The following criteria will be evaluated when reviewing the proposals. The proposal will be evaluated in light of the material and the substantiating evidence presented to the State, not on the basis of what may be inferred.

The scores for the Financial and Technical Proposals will be combined to determine the overall score. The Proposer with the highest overall score will be recommended for award.

### **3.1 - Financial Proposal (Value of 25%)**

The following financial criteria will be evaluated:

- Cost, as determined on a weighted basis as defined in Appendix B, will be determined for each Proposer based on the ratio of the lowest weighted cost to the Proposer's cost.

Prices proposed by the Proposers should be submitted on the price schedule furnished in Appendix "B". Prices proposed shall be firm.

The information provided in response to this section will be used in the Financial Evaluation to calculate lowest evaluated cost.

A proposer's base cost score will be based on the cost information provided in Appendix "B" and computed as follows:

$$BCS = (LPC/PC \times 50)$$

Where:      BCS = Computed cost score (points) for proposer being evaluated  
              LPC = Lowest proposed cost of all proposers  
              PC = Total cost of proposer being evaluated

### **3.2 – Capability to Perform Contract (Value of 60%)**

The following criteria are of importance and relevance to the evaluation of this RFP and will be used by the Evaluation Committee in the evaluation of the technical proposal:

- Experience
- Depth and commitment of resources

### **3.3 - Technical Proposal (Value of 15%)**

The following criteria are of importance and relevance to the evaluation of this RFP and will be used by the Evaluation Committee in the evaluation of the technical proposal. Such factors may include but are not limited to:

- Skill sets
- Response Plan
- References

## **PART IV PERFORMANCE STANDARDS**

### **4.1 - Performance Requirements**

The contractor will document and deliver to the LDR Project Manager, or designee, the results and approval by LDR personnel of each completed assignment. LDR will measure the performance by the quality of the completed assignment.

Status reports will be delivered to the LDR Project Manager as requested. The report will address assignment progress in terms of hour's spent, current status of work in progress, plans for next reporting period and any significant issues.

Each change order will establish the requirements and due dates, along with the evaluation criteria. The performance will be measured on the quality of coding and difficulty of problem resolution. The contractor will meet these requirements in the performance of the change order.

### **4.2 - Performance Measurement/Evaluation**

Each change order will establish the requirements and due dates, along with the evaluation criteria. The performance will be measured on the quality of coding and difficulty of problem resolution. The contractor will meet these requirements in the performance of the change order.



**APPENDIX A  
SAMPLE CONTRACT**

**STATE OF LOUISIANA**

**CONTRACT**

On this \_\_\_\_ day of \_\_\_\_\_, 2007, the Louisiana Department of Revenue, hereinafter sometimes referred to as the "State", and (*Contractor's name and legal address including zip code*), hereinafter sometimes referred to as the "Contractor", do hereby enter into a contract under the following terms and conditions.

**1.0 SCOPE OF SERVICES**

Contractor hereby agrees to furnish services to State as specified in Section 3.0.

**1.1 CONCISE DESCRIPTION OF SERVICES**

The contractor will provide competent and qualified personnel to provide software support, design, documentation and maintenance services to provide modifications to existing applications used for the front-end processing of tax returns, remittances, supporting documentation and correspondence or new application development to implement legislative or processing changes and new initiatives from management. The services will be accomplished through a series of change orders that are deemed appropriate for the services secured through this contract as determined and approved by a team of Louisiana Department of Revenue personnel.

**1.2 COMPLETE DESCRIPTION OF SERVICES**

A full description of the scope of services is contained in the following Attachments which are made a part of this contract:

Attachment I - Statement of Work

Attachment II - Hardware/Software Environment

Attachment III - Contractor Personnel and Other Resources

Attachment IV - State Furnished Resources

Attachment V- Insurance Requirements

**2.0 ADMINISTRATIVE REQUIREMENTS**

**2.1 TERM OF CONTRACT**

This contract shall begin on October 1, 2007 and shall end on September 30, 2008. State has the right to extend this contract up to a total of three years with the concurrence of the Contractor.

**2.2 WARRANTIES**

Contractor shall indemnify State against any loss or expense arising out of any breach of any specified Warranty.

A. *Period of Coverage.* The Warranty period for software and system components covered under this Contract will begin on the date of acceptance or date of first productive use, whichever occurs later, and will terminate twelve (12) months thereafter.

B. *Free from Defects.* Contractor warrants that the system developed hereunder shall be free from defect in design and implementation and will continue to meet the specifications agreed to during system design and Contractor will, without additional charge to the State, correct any such defect and make such additions, modifications, or adjustments to the system as may be necessary to operate as specified in the Technical Deliverables accepted by the State.

C. *Software Standards Compliance.* Contractor warrants that all software and other products delivered hereunder will comply with State standards and/or guidelines for resource names, programming languages, and documentation as referenced in Attachment II.

D. *Software Performance.* Specific operating performance characteristics of the software developed and/or installed hereunder are warranted by the Contractor as stated in Attachment I.

E. *Original Development.* Contractor warrants that all materials produced hereunder will be of original development by Contractor, and will be specifically developed for the fulfillment of this contract. In the event the Contractor elects to use or incorporate in the materials to be produced any components of a system already existing, Contractor shall first notify the State, which after whatever investigation the State may elect to make, may direct the Contractor not to use or incorporate any such components. If the State does not object, Contractor may use or incorporate such components at Contractor's expense and shall furnish written consent of the party owning the same to the State in all events. Such components shall be warranted as set forth herein (except for originality) by the Contractor and the Contractor will arrange to transfer title or the perpetual license for the use of such components to the State for purposes of the contract.

F. *No Surreptitious Code Warranty.* Contractor warrants that software provided hereunder will be free from any "Self-Help Code". "Self-Help Code" means any back door, time bomb, or drop dead device or other routine designed to disable a computer program with the passage of time or under the positive control of a person or party other than the State. Excluded from this prohibition are identified and State-authorized features designed for purposes of maintenance or technical support. "Unauthorized Code" means any virus, Trojan horse, worm or other software routine or component designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data, or to perform any other such actions. "Unauthorized Code" does not include "Self-Help Code".

## **2.3 STAFF INSURANCE**

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the total contract amount included in Section 5.0. For insurance requirements, refer to Attachment V.

## **2.4 LICENSES AND PERMITS**

Contractor shall secure and maintain all licenses and permits, and pay inspection fees required to do the work required to complete this contract.

## **2.5 SECURITY**

Contractor's personnel will always comply with all security regulations in effect at the State's premises, and externally for materials belonging to the State or to the project. Contractor is responsible for reporting any breach of security to the State promptly.

## **2.6 TAXES**

Contractor is responsible for payment of all applicable taxes from the funds to be received under this contract. Contractor's federal tax identification number is \_\_\_\_\_.

## **2.7 CONFIDENTIALITY**

All financial, statistical, personal, technical and other data and information relating to the State's operations which are designated confidential by the State and made available to the Contractor in order to carry out this Contract, or which becomes available to the Contractor in carrying out this contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. Contractor shall not be required to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of this Contract, or is rightfully obtained from third parties.

In its handling of any returns of taxpayers or other records and files of the Department of Revenue, or information derived therefrom, the Contractor recognizes and acknowledges the confidential nature of said information, and shall comply with all the confidentiality restrictions embodied in La. R.S. 47:1508. Furthermore, Contractor recognizes that La. R.S. 47:1508.1 imposes fines and/or imprisonment upon conviction for the disclosure of information in violation of La. R.S. 47:1508.

Contractor shall disclose or make available said confidential information only to those of its employees, agents, and representatives whose duties clearly justify the need to know or be exposed to such information, and then only on the basis of a clear understanding by said employees, agents, and representatives of their obligation to maintain the confidential status of such information and to restrict its use in accordance with this Contract.

Contractor agrees and assures that data, material, and information gathered based upon this Contract or disclosed to Contractor for the purposes of the Contract will not be disclosed to other parties or discussed with other parties without the prior written consent of the state.

Contractor shall not be required to keep confidential any data or information, which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of this Contract, or is rightfully obtained from third parties. Contractor is responsible for promptly reporting any breach.

Only information which is in the nature of legitimate trade secrets or non-published financial data may be deemed proprietary or confidential. Any material within a proposal identified as such must be clearly marked in the proposal and will be handled in accordance with the Louisiana Public Records Act, R.S.

44:1-44 and applicable rules and regulations. Any proposal marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.

However, the State reserves the right to make any proposal, including proprietary information contained therein, available to the Office of the Governor, or other state agencies or organizations for the sole purpose of assisting the State in its evaluation of the proposal. The State shall require said individuals to protect the confidentiality of any specifically identified proprietary information or privileged business information obtained as a result of their participation in these evaluations.

Furthermore, the contractor agrees to abide by the Confidentiality Section, Appendix D.

### **3.0 TECHNICAL REQUIREMENTS**

#### **3.1 STATEMENT OF WORK**

Contractor will perform services according to the terms of this Contract and according to the Statement of Work (SOW) in Attachment I.

#### **3.2 CONFIGURATION REQUIREMENTS**

The software system being installed shall be designed and configured by the Contractor to operate within the State's hardware, software, and networking environments as specified in Attachment II.

#### **3.3 PROJECT MANAGEMENT**

Contractor shall provide, at a minimum, the following project management functions:

*A. Provide Project Management* - Contractor will provide day-to-day project management using best management practices for all tasks and activities necessary to complete the Statement of Work.

*B Provide Project Work Plan* - Contractor shall develop and maintain a Project Work Plan which breaks down the work to be performed into manageable phases, activities and tasks as appropriate. The work plan will identify: activities/tasks to be performed, project personnel requirements (both State and Contractor), estimated workdays/personnel hours to complete, expected start and completion dates. Scheduled completion dates for each deliverable shall specifically be included. Written concurrence of both parties will be required to amend the Work Plan. The Project Work Plan shall be approved by the State before project payments are made.

*C. Provide Project Progress Reports* - Contractor shall submit monthly progress reports signed by the Contractor's Project Manager to the State, no later than 10 days after the close of each calendar month. Each progress report shall describe the status of the Contractor's performance since the preceding report, including the products delivered, descriptions of problems encountered with a plan for resolving them, the work to be accomplished in the coming reporting period, and identifying issues requiring management attention, particularly those which may affect the scope of services, the project budget, or the deliverables to be provided by the Contractor. Each report shall identify activities by reference to the Project Work plan.

*D. Provide Time Sheets* - Accompanying each Progress Report, the Contractor shall submit time sheets to the State Project Director indicating effort expended and work performed by each member of its or its subcontractors' staff, participating in this contract. Time sheets shall, at a minimum, identify the name of

the individual performing the work and the number of hours worked during the period by Work Plan task.

E. *Provide Issue Control.* Contractor will develop and implement with State approval, procedures and forms to monitor the identification and resolution of key project issues and problems.

### **3.4 QUALITY ASSURANCE REVIEWS**

State reserves the right to conduct Quality Assurance Reviews at appropriate checkpoints throughout the project. Contractor will facilitate the review process by making staff and information available as requested by the reviewers at no additional cost to the State.

### **3.5 CONTRACTOR RESOURCES**

Contractor agrees to provide the following Contract related resources:

A. *Project Manager.* Contractor shall provide a project manager to provide day-to-day management of project tasks and activities, coordination of Contractor support and administrative activities, and for supervision of Contractor employees. The project manager shall possess the technical and functional skills and knowledge to direct all aspects of the project.

B. *Key Personnel.* Contractor shall assign staff who possess the knowledge, skills, and abilities to successfully perform assigned tasks. Individuals to be assigned by the Contractor are listed in Attachment III.

C. *Personnel Changes.* Contractor's Project Manager and other key personnel assigned to this Contract may not be replaced without the written consent of the State. Such consent shall not be unreasonably withheld or delayed provided an adequately qualified replacement is offered. In the event that any State or Contractor personnel become unavailable due to resignation, illness or other factors, excluding assignment to project outside this contract, outside of the State's or Contractor's reasonable control, as the case may be, the State or the Contractor, as the case may be, shall be responsible for providing an adequately qualified replacement in time to avoid delays to the work plan.

D. *Other Resources.* Contractor will provide other resources as specified in Attachment III.

### **3.6 STATE PROJECT DIRECTOR**

State shall appoint a Project Director for this Contract who will provide oversight of the activities conducted hereunder. The Project Director is identified in Attachment IV. Notwithstanding the Contractor's responsibility for total management during the performance of this Contract, the assigned State Project Director shall be the principal point of contact on behalf of the State and will be the principal point of contact for Contractor concerning Contractor's performance under this Contract.

### **3.7 STATE FURNISHED RESOURCES**

State will make available to the Contractor for use in fulfillment of this contract those resources described in Attachment IV.

### **3.8 STATE STANDARDS AND GUIDELINES**

Contractor shall comply with State standards and guidelines related to systems development, installation, software distribution, security, networking, and usage of State resources described in Attachment II.

### **3.9 ELECTRONICALLY FORMATTED INFORMATION**

Where applicable, State shall be provided all documents in electronic format, as well as hard-copy. Electronic media prepared by the Contractor for use by the State will be compatible with the State's comparable desktop application (e.g., spreadsheets, word processing documents). Conversion of files, if necessary, will be Contractor's responsibility. Conversely, as required, Contractor must accept and be able to process electronic documents and files created by the State's current desktop applications as described in Attachment II.

### **4.0 ACCEPTANCE OF DELIVERABLES**

Contract deliverables will be submitted, reviewed, and accepted according to the following procedure:

A. *General.* Except where this Contract provides different criteria, work will be accepted if it has been performed in accordance with the applicable specifications for Contractor's work in the Statement of Work, the Request for Proposals, the Contractor's Proposal, and/or as subsequently modified in State-approved design documents developed within this Project, and in the accepted final documentation.

B. *Submittal and Initial Review.* Upon written notification by Contractor that a Deliverable is completed and available for review and acceptance, the State Project Director will use best efforts to review the Deliverable within five (5) business days after the Deliverable is presented to the State Project Director, but in no event later than ten (10) business days after the Deliverable is presented to the State Project Director. Within the applicable period, the State Project Director will direct the appropriate review process; coordinate any review outside the Project team, and present results to any user committees and/or Steering Committee for approval, as needed. The initial review process will be comprehensive with a view toward identifying all items which must be modified or added to enable a Deliverable to be approved. A failure to deliver all or any essential part of a Deliverable shall be cause for non-acceptance.

C. *Notification of Acceptance or Rejection.* If no notification is delivered to Contractor within the applicable period, the Deliverable will be considered approved. If State disapproves a Deliverable, State will notify Contractor in writing of such disapproval, and will specify those items which, if modified or added, will cause the Deliverable to be approved.

D. *Resubmitting Corrected Deliverables.* With respect to such Deliverables, Contractor will resubmit the Deliverable with requested modifications and the State Project Director will review such modifications within five (5) business days. If no notification is delivered to Contractor within those five (5) business days, the Deliverable is considered approved. If the State disapproves that Deliverable, the State will notify Contractor in writing of any additional deficiencies which result from such modifications and Contractor will resubmit the Deliverable with the requested modifications. The parties agree to repeat this process as required until all such identified deficiencies are corrected or a determination of breach or default is made. The payment by the State for each activity is contingent upon correction of all such deficiencies and acceptance by the State.

F. *Payment of Retainage Based on Acceptance.* Final payment of any retainage will be contingent on completion and acceptance of all contract deliverables.

## **5.0 COMPENSATION AND MAXIMUM AMOUNT OF CONTRACT**

In consideration of the services required by this contract, State hereby agrees to pay to Contractor a maximum fee of \$\_\_\_\_\_ annually. Payment will be made only on approval of the UnderSecretary or other designated authority of LDR.

The Contractor may submit invoices, not more frequently than monthly, to the State reflecting the number of work hours expended by the Contractor in the performance of the change orders at the designated tasks and the hourly rates. Invoices must, to the extent practical, be based on clearly identifiable stages of progress on each change order as reflected in written reports submitted with the invoices.

Twenty percent (20%) of the invoice amount approved by the State Project Manager shall be withheld as retainage pending successful completion of each change order. Upon completion of all tasks contained in the change order as defined in Statement of Work to the satisfaction of the State, any amounts previously withheld as retainage will be paid.

## **6.0 TERMINATION**

### **6.1 TERMINATION FOR CAUSE**

State may terminate this Contract for cause based upon the failure of Contractor to comply with the terms and/or conditions of the Contract; provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this contract; provided that the Contractor shall give the State written notice specifying the State's failure and a reasonable opportunity for the state to cure the defect.

### **6.2 TERMINATION FOR CONVENIENCE**

State may terminate the Contract at any time without penalty by giving thirty (30) days written notice to the Contractor of such termination or negotiating with the Contractor an effective date thereof. Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

## **7.0 REMEDIES FOR DEFAULT**

Any claim or controversy arising out of the contract shall be resolved by the provisions of LSA - R.S. 39:1524 - 1526.

## **8.0 AVAILABILITY OF FUNDS**

The continuation of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds have not been appropriated. Such termination shall be without penalty or expense to the State except for payments which have been earned prior to the

termination.

## **9.0 OWNERSHIP OF PRODUCT**

Upon completion of this contract, or if terminated earlier, all software, data files, documentation, records, worksheets, or any other materials related to this contract shall become the property of State. All such software, records, worksheets, or materials shall be delivered to the State within thirty days of the completion or termination of this contract.

## **10.0 NONASSIGNABILITY**

No contractor shall assign any interest in this contract by assignment, transfer, or novation, without prior written consent of the State. This provision shall not be construed to prohibit the contractor from assigning his bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the State.

## **11.0 RIGHT TO AUDIT**

Contractor grants to the Office of the Legislative Auditor, Inspector General's Office, the Federal Government, and any other duly authorized agencies of the State where appropriate the right to inspect and review all books and records pertaining to services rendered under this contract. Contractor shall comply with federal and/or state laws authorizing an audit of Contractor's operation as a whole, or of specific program activities.

## **12.0 RECORD RETENTION**

Contractor agrees to retain all books, records, and other documents relevant to this contract and the funds expended hereunder for at least five years after final payment, or as required by applicable Federal law, if Federal funds are used to fund this contract.

## **13.0 AMENDMENTS IN WRITING**

Any alteration, variation, modification, or waiver of provisions of this contract shall be valid only when they have been reduced to writing, duly signed. No amendment shall be valid until it has been executed by all parties and approved by the Director of the Office of Contractual Review, Division of Administration.

## **14.0 FUND USE**

Contractor agrees not to use funds received for services rendered under this Contract to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

## **15.0 Discrimination Clause**

The contractor agrees to abide by the requirements of the following as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and



contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, or disabilities.

Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this contract

#### **16.0 HEADINGS**

Descriptive headings in this contract are for convenience only and shall not affect the construction or meaning of contractual language.

#### **17.0 ENTIRE AGREEMENT AND ORDER OF PRECEDENCE**

This contract, (together with the Request for Proposals and addenda issued thereto by the State, the proposal submitted by the Contractor in response to the State's Request for Proposals, and any exhibits specifically incorporated herein by reference) constitutes the entire agreement between the parties with respect to the subject matter.

This contract shall, to the extent possible, be construed to give effect to all provisions contained therein: however, where provisions are in conflict, first priority shall be given to the provisions of the contract, excluding the Request for Proposals and the Proposal; second priority shall be given to the provisions of the Request for Proposals and amendments thereto; and third priority shall be given to the provisions of the Proposal.

THUS DONE AND SIGNED on the date(s) noted below

\_\_\_\_\_  
CONTRACTOR'S SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
STATE'S SIGNATURE

\_\_\_\_\_  
DATE

## **ATTACHMENT I STATEMENT OF WORK**

### **1.0 INTRODUCTION**

Work performed by competent and qualified personnel as identified in the proposal will be in response to a written change order in a format agreed to by LDR and Contractor. The written change order will define the desired result of the change to the applications, sample forms, field edits, output record layouts, specific due dates for final specification agreement and for implementation of the changes, on-site support requirements, the deliverables and acceptance criteria. The written change order will define the number of hours and types of services needed to make the requested changes, the total cost of the change, the project plan, and may include the specific and detailed coding requirements.

Modifications to the change order may be required until LDR and contractor agree on the final coding requirements and cost of each change. The authorized representative of the contractor and the designated project manager for LDR will sign the final software specification agreement for work to proceed. It is expected that several change orders will be worked on simultaneously, or in a priority order determined by LDR.

The successful Proposer will be expected to perform all software maintenance and support necessary to modify existing programs or to implement additional programs, including full testing and quality assurance of the application prior to delivery to LDR. Full and complete documentation and training for LDR personnel on the revised application are required for acceptance.

The software being installed shall be designed and configured by the Contractor to operate within the LDR's hardware, software, and networking environments as specified in Appendix A, Attachment II. All coding must be performed in the development environment; testing of coding must be performed in the testing environment. Only work which meets the testing requirements may be implemented in the test environment. LDR approval of test result shall be required before migration of code to the production environment can occur.

Contractor will provide day-to-day project management using best management practices for all tasks and activities necessary to complete each software specification agreement. Contractor should submit written monthly progress reports signed by the Contractor's Project Manager to LDR no later than 10 days after the close of each calendar month.

### **2.0 DESCRIPTION OF SERVICES/TASKS**

The specific tasks to be performed, due dates and priorities of each task cannot be determined at this time. Examples of projects that may be conducted under this contract include, but are not limited to:

- All software support changes necessary to implement changes to the existing processing programs resulting from form changes, policy changes or other departmental initiatives or management directives.
- Any software support services required to change existing programs or implement new programs resulting from legislation or regulatory action.
- Any software support changes necessary to interface with the Virtual Solution's vCapture system for remote data entry.
- Services to be performed include adapting scanner and data capture programs necessary to process additional tax types through VistaCapture applications, and to transmit images and data to the Gentax Integrated Tax Processing System.

- Implementation of any different technology, architecture or upgrades to operating systems.
- Implementation of contractor's recommendations to improve productivity.

LDR is responsible for processing returns and payments for 32 different taxes. Changes to individual income, corporation income, and franchise tax programs are required every year, and are usually the most extensive changes required. Sales tax returns change frequently. Changes are usually required for payment processing documents and withholding tax returns. Changes to the remaining taxes occur less often. Also included would be enhancements to existing applications to improve processing controls or procedures, improve supportability, install software upgrades, and development of new reports for management information or similar reasons.

### **3.0 SCHEDULE REQUIREMENTS**

Contractor will complete all assignments within the estimated time frame or provide reasonable explanation of why it is not possible to do so. Each change order will be evaluated for accuracy and timeliness.

Due dates set in the signed software specification agreement will determine the dates applicable changes must be in productive use.

If LDR fails to furnish the necessary information at the time specified in the software specification agreement, the deadline for the Contractor will be adjusted for the number of workdays the LDR failed to respond timely.

Failure by the Contractor to meet the deadline will result in a penalty of five percent of the total price of the software specification for every thirty (30) days or portion thereof that the deliverable is not provided.

### **4.0 PERFORMANCE MEASURES AND MONITORING PLAN**

The contractor will document and deliver to the LDR Project Manager, or designee, the results and approval by LDR personnel of each completed assignment. LDR will measure the performance by the quality of the completed assignment.

Status reports will be delivered to the LDR Project Manager as requested. The report will address assignment progress in terms of hours spent, current status of work in progress, plans for next reporting period and any significant issues.

### **5.0 DELIVERABLES**

Each change order will determine the results to be achieved from the project, the deadlines for timely completion, and any special requirements for performance. The contractor will meet these requirements in the performance of the change order.

### **6.0 STANDARD OF PERFORMANCE**

As stipulated in the warranty provisions of this Contract, the following standards of performance for the products delivered hereunder will be warranted as described below:

All work performed must meet the ISO 9001:2000 standards. Work must be fully tested by contractor before delivery. Delivery of product shall be timely.

## ATTACHMENT II HARDWARE/SOFTWARE ENVIRONMENT

The system to be installed must be able to operate on the State data processing facility and configuration as follows:

### 1.0 HARDWARE AND OPERATING SYSTEM SOFTWARE

Listing of Hardware
ScanOptics Series 9000M Scanner
Feeder, with Acoustics Double
Monitor, 17 inch
Monitor Stand with Swing Arm
FoxJet Serializer (Front)
Front OCR w/programmable filters
Reverse OCR w/programmable filters
Stacker with Blower
Multifont Font Recognition (Alphanumeric) Hardware
Inline Neural Handprint Hardware
ScanOptics Series 9000T Scanners
Ink-Jet Serializer
Laser Handprint Guide Box
Reverse Side ICR Camera
4 Pocket Stacker Module
Duplex Recognition
Numeric Multifont
InLine Neural Handprint
3 of 9 bar-code
IBML ImageTrac II Scanner
IBML ImageTrac III Scanner
Vista Workstations – Dell Optiplex GX280, Pentium 4, minimum 256 MB RAM, 30 GB Hard drive, 19 inch monitor
CAR server – Dell PowerEdge 1550, Dual 1.4 GHz Pentium III's, 512 MB Memory, 18 GB Disk
NDP250 Power Encode Workstation: includes High Speed Encoder, Endorser, 12 Pockets, Audit Printer, Secondary Feeder
TMS Administrator Workstation - 300MHz Pentium, 64 MB Memory, 3.2 GB Disk, 15 inch Monitor
2 - HP 4000TN Laser Printer
Image and Database File and SQL Server – Dell/EMC CX500 SAN connected through fiber switch
Image Servers – Dell PowerEdge 6850, Dual 3.0 GHz Pentium 4 Duo Core, 1024 MB RAMN, Storage through Dell SAN
Database servers – Dell PowerEdge 2650, Dual 2.8 GHz Xeon's, 2048 MB RAM, Storage through Dell SAN

OPDATA servers - Dell PowerEdge 6850, Quad 3.0 GHz Pentium 4 Duo Core, 2048 MB RAM, Storage through Dell SAN
3 - DSS Scan Workstations – 300MHz Pentium, 64 MB, 3.2 GB disk, with 17 inch Monitor
Context Editor Recognition Workstation - 300MHz Pentium, 64 MB, 3.2 GB Disk, without Monitor
Dell Powervault 136T Tape Backup Library
Sharing Devices (for switching shared monitors to appropriate servers)
Patch Panels
<b>Listing of Software</b>
Series 9000 Operating System
Assy. Series 9000 Kit Ver 4.03B
ScanGen Runtime Library V2.11A
SO Vista Intrfc Assy V1.02
CAR Recognition Assy
ScanGen Development w/HDW Key
NDP250 O/S software
TMS Power encode software
TMS Database System
DSS Scan Module
Vistal CR/Nestor Module
Mitek w/context Editor & Postal DB
DSS BarCode Recognition
Kofax Scanner Interface
SQL Server and Clients
Crystal Reports
Windows NT Server and Client
Windows NT Ser 4.0
Windows 2000 Server
Windows 2003 Server
Windows XP
Series 9000M Operating System
ScanGen Runtime O/S 9000M
Image Assist Software
S9000M Output Processor
Inline Neural Recognition OS
Multifont Recognition Alphanumeric
Bar Code 3 of 9
8000 DSS Driver
Inline Neural Handprint Recognition
SONAR NR W/O context Edit 100CPS
Mitek 2-D BarCode Recognition
IBM Tivoli Storage Manager
Borland C++
Visual Basic
Visio

## **2.0 SPECIAL REQUIREMENTS**

The State may upgrade hardware and operating systems as deemed necessary to maintain the efficiency of the overall processing system.

## **3.0 STANDARDS AND GUIDELINES**

Contractor is required to be responsible for:

1. Clarifying the assignments as needed with appropriate LDR personnel.
2. Providing response to change order request promptly, and not more than 5 business days following receipt of request.
3. Modifying programs to accomplish requested changes in accordance with approved methodology.
4. Developing test data and scenarios to validate changes made.
5. Obtaining verification from the appropriate LDR personnel that changes were accurately made and program is functioning correctly.
6. Preparing necessary documentation to properly reflect the changes made.

## **ATTACHMENT III CONTRACTOR PERSONNEL AND OTHER RESOURCES**

### **1.0 CONTRACTOR PERSONNEL**

The following individuals are assigned to the project, on a full time basis (unless otherwise indicated), and in the capacities set forth below:

<u>Name/Company</u>	<u>Responsibilities/Classification</u>	<u>Rate</u>	<u>Expected Duration</u>
---------------------	--	-------------	--------------------------

...			
...			
...			
...			

*[List here all personnel, including subcontractors, who will be assigned to the project. Personnel who will be assigned at a future date may be listed by job classification. Contract may also specify qualifications for each unnamed person.]*

### **2.0 PC WORKSTATIONS**

Contractor will provide its own workstations, any workstation resident software, and software development tools not specifically provided by the State, and maintenance thereof.

### **3.0 NETWORK CONNECTIVITY**

Any Contractor-provided workstations or devices to be connected to the State's network, must comply with State network and security standards. Contractor must provide the hardware components, operating system, and software licenses necessary to function as part of the State network. All hardware and software must be reviewed before it is used on the Local Area Network, and may be made operable on the Local Area Network with written approval of the State.



## **ATTACHMENT IV STATE FURNISHED RESOURCES**

Any resources of the State furnished to the Contractor shall be used only for the performance of this Contract. State will make available to the Contractor, for Contractor's use in fulfillment of this contract, resources as described below:

### **1.0 PROJECT DIRECTOR**

The Project Director appointed by the State as described in Section 3.6 is the Director of the Information Technology Division who is the principal point of contact for this contract on behalf of the State. The Director of the Revenue Processing Center will be primarily responsible for the day-to-day contact with the contractor and day-to-day monitoring of the contractor's performance.

### **2.0 TECHNICAL STAFF**

State will provide timely access to LDR staff and documentation as required to complete each of the deliverables. The State will be responsible for reviewing work plans, results, and reports as related to the services provided. The State will review the deliverables and return comments within 5 business days of the delivery of the deliverable.

### **3.0 FUNCTIONAL STAFF**

State will provide timely reviews of submitted work products and approving such deliverables when completion criteria are met. The State will provide supervision, direction and control of its own personnel.

### **4.0 OFFICE FACILITIES**

State will provide reasonable and normal office space, LAN connection, local telephone service, miscellaneous office supplies, and limited usage of copiers. The State will provide safe and free access to those facilities needed to conduct requested services.

### **5.0 COMPUTER FACILITIES**

State will make available use of computer facilities at reasonable times and in reasonable time increments to support system development, test, and installation activities. Special facility requirements, such as stress testing or conversion, shall be addressed in the appropriate planning documents or documented by the Contractor in a memorandum.

## **ATTACHMENT V INSURANCE REQUIREMENTS FOR CONTRACTORS**

### **1.0 MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

1. Insurance Services Office form number GL 0002 (Ed. 1/73) covering Comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage ("occurrence" form CG 001). "Claims Made" form is unacceptable. The "occurrence form" shall not have a "sunset clause".
2. Insurance Services Office form number CA 0001 (Ed 1/78) covering Automobile Liability and endorsement CA 0025 or CA 0001 12 90. The policy shall provide coverage for owned, hired, and non-owned coverage. If an automobile is to be utilized in the execution of this contract, and the contractor does not own a vehicle, then proof of hired and non-owned coverage is sufficient.
3. Workers' Compensation insurance as required by the Labor Code of the State of Louisiana, including Employers Liability insurance.

### **2.0 MINIMUM LIMITS OF INSURANCE**

Contractor shall maintain limits no less than:

1. Commercial General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage.
2. Automobile Liability: \$1,000,000 combined single limit per accident, for bodily injury and property damage.
3. Workers Compensation and Employers Liability: Workers' Compensation limits as required by the Labor Code of the State of Louisiana and Employers Liability coverage. Exception: Employers liability limit is to be \$1,000,000 when work is to be over water and involves maritime exposure.

### **3.0 DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductibles or self-insured retentions must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Agency, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

### **4.0 OTHER INSURANCE PROVISIONS**

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages
  - a. The Agency, its officials, employees, Boards and Commissions and volunteers are to be added as "additional insureds" as respects liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor, premises owned, occupied or used by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, its officers, officials, employees or volunteers. It is understood that the business auto policy

under "Who is an Insured" automatically provides liability coverage in favor of the State of Louisiana.

b. Any failure to comply with reporting provision of the policy shall not affect coverage provided to the Agency, its officers, officials, employees Boards and Commissions or volunteers.

c. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

## **2. Workers' Compensation and Employers Liability Coverage**

The insurer shall agree to waive all rights of subrogation against the Agency, its officers, officials, employees and volunteers for losses arising from work performed by the Contractor for the Agency.

## **3. All Coverages**

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Agency.

## **5.0 ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a Best's rating of A-:VI or higher. This rating requirement may be waived for workers' compensation coverage only.

## **6.0 VERIFICATION OF COVERAGE**

Contractor shall furnish the Agency with certificates of insurance affecting coverage required by this clause. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be received and approved by the Agency before work commences. The Agency reserves the right to require complete, certified copies of all required insurance policies, at any time.

## **7.0 SUBCONTRACTORS**

Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements state herein.

## APPENDIX B PRICE SCHEDULE

### PRICING SCHEDULE

The Proposer shall provide hourly rates for the services to be performed. The actual hours to be used for modifications under the contract will be specified in the change order.

Proposer must provide the rate for each job title/task, and the maximum rate per hour to be charged for the following classifications:

Job Title/Task*	Relative Usage % Rate **	Maximum Rate per Hour	Weighted Rate per Hour
Project Manager	3.58%		
Database Analyst	8.61%		
Network Systems Engineer	3.00%		
System Design Consultant	11.57%		
Programmer/Analyst – Scanner	24.59%		
Senior Programmer/Analyst	22.95%		
Programmer/Analyst	21.96%		
Quality Assurance, testing, staging analyst	6.74%		
Technical Writer/Analyst	5.00%		
Weighted Proposal Price	100.00%		

\* See Appendix E for definitions of tasks.

\*\* The relative usage rate was derived by past experience.

**Project Manager** – Plans, organizes, and controls analysis of computer system requirements and development of procedures for implementation, programming and/or maintenance of major computer systems; coordinates efforts with other departments and users; ensures project timelines and cost constraints are met. Usually requires, but is not limited to, a 4 year degree and 4-6 years relevant experience, or equivalent.

**Database Analyst** – Oversees the technical design, development and maintenance of databases and master files on large complex projects; maintains database dictionaries, ensures database performance and resolves problems; coordinates with other departments to ensure implementation and monitoring of databases; analyzes and projects long-range space requirements. Usually requires, but is not limited to, 4-6 years relevant experience, or equivalent combination of education and experience.

**Network Systems Engineer** – Installs, configures, and maintains the organization's LAN server and workstations; acts as primary organizational interface with contractor and provides internal analysis and support; manages performance of a multiple hardware and software platform interface at the most complex level. Usually requires, but is not limited to, a BS degree or equivalent technical training and 2-3 years relevant experience.

**System Design Consultant** – The proposer should provide personnel with knowledge and experience in, but not limited to:

- Creating logical and innovative solutions to complex problems;
- Drawing up specific proposals for modified or replacement systems;
- Working closely with programmers and a variety of end users to ensure technical compatibility and user satisfaction;

- Identifying options for potential solutions and assessing them for both technical and business suitability;
- Defining software, hardware and network requirements; and
- Designing, testing, installing and monitoring new systems.

**Programmer/Analyst** – Analyzes user specifications and requirements; encodes, tests, debugs, and documents programs on moderately complex projects; revises and updates programs and documentation as required. Usually requires, but is not limited to, 2-4 years relevant professional experience or equivalent education. The proposer should provide personnel with knowledge and experience in, but not limited to C++, JAVA, Visual Basic, Visual Save, ScanGen Advanced, ScanGen Source, ScanGen, and ScanOptics 9000 series scanner programming.

**Quality Assurance, testing, staging Analyst** – Develops and implements quality assurance standards, processes and controls; develops methods for inspection, testing, sampling, and training; evaluates production capabilities and recommends improvements; may assist in developing quality assurance and procedures. Usually requires, but is not limited to, a 4 year degree plus 2-4 years relevant experience, or equivalent.

**Technical Writer/Analyst** – Composes written matter relating to instructions, policies, or procedures for use in external or internal company publications; investigates and studies material used through examination of systems, diagrams and interviews; plans and produces contents of training guides. Usually an intermediate level staff requiring, but not limited to, 1-2 years of relevant experience.

## **APPENDIX C**

### **Examples of Prior Changes to Be Expected**

1. Make the necessary modifications or enhancements to the scanner and VistaCapture applications to process tax returns for 2007 and subsequent years.
2. Modify the Key From Image (KFI) program to process all new tax forms for fiscal year 2007-2008, and subsequent years.
3. Make the necessary modifications to the tax applications to ensure that all legislative requirements are met.
4. Make the necessary code changes at the scanners and VistaCapture programs to process all Electronic Payment Vouchers for fiscal year 2007-2008 and subsequent years.
5. Update as needed any VistaCapture applications to process new/revised Universal Data Format code fields. The "Universal Data Format" is the format that electronic data captured is transmitted to the Integrated Tax Processing System.
6. Standardize date format for all date fields in the database.
7. Support interfaces and data exchanges with the Integrated Tax System.
8. Support the capture, formatting, and transfer of images and metadata to the imaging component of the Department's Integrated Tax System.
9. Support interfaces and data exchanges with IBML scanners. Fairfax Imaging's Quick Scan and Quick Review software modules and IBML's SoftTrac software are the development tools utilized for these scanners.
10. Create a Delete Report to reflect by batch number the status of deletes. This report should reflect the batch number, processing method (KFI, Check Only, VistaCapture, Kodak), original number of transactions in the batch, total number of items sent to the Integrated Tax System, total number of items deleted, the total number different reason codes and the date the data was transmitted to the Integrated Tax System.
11. Create a database to store and retrieve all archived data field information. This database will be used to produce and print reports, review information using OATIS, SQL queries against both the UDF\_Archive and Check tables. We currently have approximately 2 1/2 years of data on the production database. To improve workflow performance this update should be completed before January 2008.
12. Review and modify all report programs to include the more effective indexes. This change will improve response time and reduce system load.
13. Provide approximately 4 to 6 weeks of programming and scanner on-site support during high volume periods in April and May. This support will be used as needed by the department.
14. Add additional delete codes to help identify the manner in which a return/check was deleted.
15. VistaCapture Income Tax display programs should be modified to reflect the field name, not the UDF numeric code.
16. Add all new form numbers to the image overlay programs.
17. Make the necessary code changes at the scanners and VistaCapture programs to process Individual and Corporation Declaration Vouchers for the current year.
18. On-site support for program changes as required by the change order.

## **APPENDIX D CONFIDENTIALITY**

### **1.0 CONFIDENTIALITY**

All financial, statistical, personal, technical and other data and information relating to the state's operation which are designated confidential by state and made available to the Contractor in order to carry out his contract, or which become available to the Contractor in carrying out this contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements applicable to the State.

In its handling of any returns of taxpayers or other records and files of the Department of Revenue, or information derived therefrom, the Contractor recognizes and acknowledges the confidential nature of said information, and shall comply with all the confidentiality restrictions embodied in La. R.S. 47:1508. Furthermore, the Contractor recognizes that La. R.S. 47: 1508.1 imposes fines and /or imprisonment upon conviction for the disclosure of information in violation of La. R.S. 47: 1508.

The Contractor shall disclose or make available said confidential information only to those of its employees, agents and representatives whose duties clearly justify the need to know or be exposed to such information, and then only on the basis of a clear understanding by said employees, agents and representatives of their obligation to maintain the confidential status of such information and to restrict its use in accordance with this contract.

The Contractor agrees and assures that data, material, and information gathered based upon this contract or disclosed to the Contractor for the purpose of this contract will not be disclosed to other parties or discussed with other parties without the prior written consent of the State.

### **2.0 PERFORMANCE**

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- (1) All work will be done under the supervision of the contractor or the contractor's employees.
- (2) Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the contractor will be prohibited.
- (3) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output would be given the same level of protection as required for the source material.
- (4) The contractor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
- (5) Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or his or her designee. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.

- (6) All computer systems processing, storing, or transmitting Federal tax information must meet or exceed computer access protection controls(C-2). To meet C2 requirements, the operating security features of the system must have the following minimum requirements: a security policy, accountability, assurance, and documentation. All security features must be available (object reuse, audit trail, identification, and discretionary access control) and activated to protect against unauthorized use of and access to Federal tax information.
- (7) No work involving Federal tax information furnished under this contract will be subcontracted without prior written approval of the IRS.
- (8) The contract will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, the IRS reviewing office.
- (9) The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.

### **3.0 CRIMINAL/CIVIL SANCTIONS**

Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or returns information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information of a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5000 or imprisonment for as long as 5 years, or both, together with costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR 301.6103(n). Additional criminal penalties may be imposed under state law pursuant to La.R.S.47: 1508 et. Seq.

Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Inspection by disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount equal to the sum of the greater of \$1000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure or an inspection or disclosure which is the result of gross negligence, punitive damages, plus costs of the action. These penalties are prescribed by IRC section 7213A and 7431.

Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure by Privacy Act of 1974, 5 U.S. C 552a. Specifically, 5 U.S.C.552a (m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner



to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5000.

#### **4.0 INSPECTION**

The IRS and the Agency shall have the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, specific measures may be required in cases where the contractor is found to be in noncompliance with contract safeguards.

**APPENDIX E**  
**DEFINITION OF TASKS**

<b>Types of Tasks</b>	<b>Description</b>
Technical Assessment	Provide Technical Assessment. Contractor may review those areas of the State's data processing environment; such as: standards and guidelines, development tools, technical resources, hardware capacities, software supported, networks, facilities, specified arrangements, etc. related to the Statement of Work to be provided; and, if warranted, prepare a memorandum identifying areas where, in Contractor's opinion, the State's technical environment may materially impair Contractor from successfully completing the Contract. The Project Environment memorandum, if prepared, shall be submitted prior to delivery of the Project Work Plan.
Information Planning	Provide Information Planning. Contractor may perform necessary analysis tasks and develop an Information Systems Plan incorporating the functional and technical requirements as specified in the Statement of Work. The systems planning project will encompass such tasks as: defining business strategies, information needs, organization strategies, application strategies, information technology strategies, implementation strategies; and defining and planning specific projects to be implemented. An outline specifying the nature of the content, format, and level of detail for the Information Systems Plan will be developed/finalized by the Contractor and approved by the State Project Director.
Functional Systems Requirements	Provide Functional System Requirements. Contractor may perform necessary information gathering and analysis tasks and develop a Functional Systems Requirements report that incorporates the functional and technical requirements of the State according to the Statement of Work. An outline specifying the nature of the content, format, and level of detail for this document will be developed/finalized by the State Project Director. (Note: depending on the nature of the project, this deliverable may be called Preliminary Systems Design, Conceptual Design, Logical Data and Process Model Design, or something appropriately descriptive. The narrative should communicate the context of the work to be performed and the deliverable to be provided.)
Technical Design/ Technical Architecture Report	Provide Technical Design/Technical Architecture Report. Contractor will perform necessary technical design tasks and develop a Technical Design Report that satisfies the provisions of the Statement of Work, the Configuration Requirements, and the Functional Systems Requirements. An outline specifying the nature of the content, format, and level of detail for this report will be developed/finalized by the Contractor and approved by the State Project Director. This should also include the use of three separate environments in which the application may be run. A Developmental environment where changes to the source code is made. A Test environment where the latest version of the code is tested and the Production environment where satisfactorily tested code is placed into operation. (Note: depending on the nature of the project, this deliverable may be called Preliminary Systems Design, Conceptual Design, Logical Data and Process Model Design, or something appropriately descriptive. The narrative should communicate the context of the work to be performed and the deliverable to be provided.)
Implementation Planning Report	Provide Implementation Planning Report. Contractor may perform necessary information gathering and analysis tasks to develop an Implementation Planning Report describing the strategy for implementing the system; including: systems testing, quality assurance methodology, acceptance testing, integration, software installation, interfaces, conversion, software distribution, training, "going live", and support. The plan should address resources, time frames, responsibilities, and contingencies. An outline specifying the nature of the content, format, and level of detail for this report will be developed/finalized by the Contractor and approved by the State Project Director.
Programming/Custom Modifications	Provide Programming/Custom Modifications. Contractor will perform programming/coding tasks necessary to produce the software specified in the functional requirements and technical design reports. Tasks performed may include use of scripts,

	macros, or procedural or command languages, which may be required by the development tools being used. Coding will be done in a Developmental environment.
Software Installation	Provide Software Installation. Contractor will perform software installation tasks as applicable; such as: database setup, file sizing, software retrofitting, installation of software releases, application table setup, operation setup, file migrations, installation test, system integration, integration test, and performance tuning.
Systems Test and Acceptance Test Support	Provide Systems Test and Acceptance Test Support. This includes tasks such as functional support on system functionality, script development and data setup, technical support on executing special jobs or cycles to facilitate testing, assisting in the actual execution of test scripts and review of results, and development of an acceptance test calendar with all of the appropriate cycles.
Interface Testing	Provide Interface Testing. This includes such tasks as: developing and testing of scanner programs, input interfaces, output interfaces, and application programs that are identified in the Implementation Planning document.
Implementation Support	Provide Implementation Support. Contractor will provide functional support as specified in the Implementation Plan, including scheduling of change over schedule and plan for minimizing downtime.
Documentation	Provide Documentation. This includes: Application documentation including the report documentation and documentation of any other changes made to the existing system.
Post Implementation Support	Provide Post Implementation Support to the State after the implementation of the system. Contractor will provide xxx (nn) qualified staff for XXX months following implementation as specified in the Statement of work.
Change Control	Provide Change Control. Contractor will develop and implement with State approval, procedures and forms to provide a method for defining, reviewing, prioritizing, scheduling and approving changes to specifications, designs, programs, procedures, and documentation that may be required within the scope of this project.